

BOARD OF REGENTS FOR ELEMENTARY AND SECONDARY EDUCATION
MINUTES OF MEETING
September 9, 2004

A meeting of the Board of Regents for Elementary and Secondary Education was held at the Shepard Building - 255 Westminster Street, Providence, RI 02903 and convened at 4:30 p.m.

In Attendance

J. DiPrete, J. Gaines, C. Callahan, P. Guida, G. Grove, S. Duff, M. Mancieri, (K. Forbes).

Public Remarks:

There were no public remarks.

Chairman's Remarks:

There were no chairman remarks

Approval of Minutes

MOVED AND SECONDED: That, the Board of Regents for Elementary and Secondary Education Approves the Minutes of August 26, 2004 as presented.

VOTE: Approved Unanimously.

Discussion of FY '05 and '06 Budget

Commissioner McWalters explained to board members that tonight's approval of the FY '06 budget would be a "place holder" in that the Regents are required to transmit the budget to the Governor's Office as per the State Budget Office instructions. However, because of the fiscally constrained budget that RIDE had to work within, its proposed FY 2006 budget does not represent a funding plan to meet all of the needs of public schools or the department. Additionally, as a result of the increased expectations for personnel turnover savings imposed on the department in FY 2005, RIDE remains concerned that its weakening human resource capacity seriously inhibits its ability to implement the state's education reform agenda. These personnel reductions have weakened the department's capacity to continue critical work in key areas such as limited English proficiency, community relations, data analysis, and fiscal accounting. Therefore, the Commissioner told board members that he is asking for approval for the transmittal of the budget without adopting it as adequate.

The Commissioner also told board members that, in reference to the FY 2005 enacted budget; it does not address several current service level shortfalls

requiring additional funding and therefore is asking the Regents to request an appropriation necessary to maintain current services. The Commissioner then asked RIDE Director of Finance Carolyn Dias and staff member Celeste Bilotti, to give an overview of the FY 2006 budget.

Ms. Dias then gave the board a review the FY'06 budget using the attached overheads, as follows:

- Highlights of the FY'06 Budget;
- Funding Source Summary;

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- FY 2006 Budget Request Summary: General Revenue;
Regents Mario Mancieri and Gary Grove questioned the Teacher Retirement number -- "Is it a premium or is it a guesstimate?" Ms. Dias explained that for our purposes "it comes in and goes out to the penny" and will increase greatly over the next few years.

- RIDE Administration of the Comprehensive Education Strategy;
Regent Sue Duff questioned the transfer of the vocational schools costs to the proposed bond fund (\$235,000 savings) Ms. Dias explained that if the bonds do not pass, this would come back to the Regents for review at a later date. Chairman DiPrete questioned the textbooks savings of \$85,000 – Ms. Bilotti explained that this number is based on past patterns. Mr. McWalters commented that the proposed cuts outlined on this overhead are not meant to imply that these programs are not effective, but in a "forced choice environment", it was necessary prioritize new programs.

- State Schools: Rhode Island School for the Deaf;
Jim DiPrete questioned the cost of renovating the school for the deaf versus the cost of building a new school. Staff from the school for the deaf reported that it would cost approximately 18 million to renovate; and approximately 20 million to build a new school.

- State Schools: Davies Career and Technical School;
- State Schools: Metropolitan Career and Technical School;
- State Schools: Central Falls;

Regent Mancieri questioned the amount of the short fall. Ms. Dias told him it could be between \$2 and \$5 million. Mr. McWalters explained how the short fall

had come about – that over the past three years, Central Falls has been working off a surplus balance to cover expenses that weren't funded by the state. Now that surplus has been depleted and the district is experiencing a short fall.

- School aid: \$629,097,020;

Ms. Bilotti presented the next part of the presentation focused on state education aid as outlined on the attached overheads. Discussion was primarily a clarification of the numbers and what they mean.

- School Housing Aid & Teacher Retirement;
- Rhode Island Department of Education FY 2006 Education Aid Request;
- Education Aid;
- Rhode Island Department of Education;

Ms. Bilotti explained that in accordance with prior year budget instructions that required state departments to submit their budgets at constrained target levels, the Board of Regents has for the past two years transmitted their state budget without specific requests for targeted education aid. The FY 2006 budget will include two requests for targeted and strategic investments in additional state aid to schools.

The first request is for \$8 million to establish a fund for education improvement grants. These education improvement grants will be awarded as a result of a competitive bid process to schools in need of improvement to support school improvement and accountability activities. The second request is for an overall increase in aid that would be distributed based on a new education funding system that allows for adequate and appropriate state support of education and is based on community tax capacity, tax effort and student need.

Following Ms. Bilotti's explanation, the Commissioner explained that the proposed \$8 million is not unlike last year when the secondary school piece was added to the budget. This is a repeat of last year's attempt to give every body notice that there are agenda items such as school improvement and high school restructuring that are being implemented and worked on and need to be funded. As part of their deliberations, the group discussed targeted aid and the issue of a formula mechanism that is responsive to incremental costs that deal

from everything from increases in populations to economic fluctuations. Regents supported the need to be very specific about what is needed to be funded. Regent Mancieri urged Regents to support the placeholder language to give the board enough time to reflect on which goals and objectives they feel strongly about and want to support.

Approval of FY '06 Budget

Chairman DiPrete asked that the group schedule a workshop to give themselves an opportunity to discuss the budget and their goals in more detail.

Regent Gaines urged the Regents to approve the budget with the understanding that a workshop will be scheduled; and Regents will have input all along the way to do a more detailed description of education aid.

Representatives from the state schools – School for the Deaf, Metropolitan Career and Technical School, the Davies Career and Technical School and Central Falls spoke to the board about their specific issues with the proposed budget.

Wayne Hammon talked about facility issues at the School for the Deaf and the need to either renovate the school at a cost of \$18 million or build a new school at a cost of \$20 million. He also spoke to the Regents about issues surrounding vandalism and security at the current school.

Dennis Litkey from the MET school talked about the funding dilemma of adding students – “Its not just about adding students - it’s about opening classrooms and adding teachers.” Cuts made over the previous two years have been absorbed handled by freezing teacher and administrative wages.

Bob Canavan, Chairman for the Central Falls Trustees assured board members that he and the new superintendent would work diligently to firm up the budget ASAP.

MOVED AND SECONDED: That, the Board of Regents for Elementary and Secondary Education Transmits the FY'06 Budget, " without adopting as adequate".

VOTE: Approved Unanimously.

Carolyn Dias reviewed the FY'05 Supplement Budget, as attached.

MOVED AND SECONDED: That, the Board of Regents for Elementary and Secondary Education Approves the Revisions to FY'05 Budget, as attached.

VOTE: Approved Unanimously.

Commissioner's Report

RE: State Testing Results - The Commissioner reported that the department will report on the state testing results and the SAT's at the next meeting of the board.

Mr. McWalters also told members that RIDE's Director of Assessment, Mary Ann Snider is receiving the Education of the Year Award from the New England Superintendent's Association; and

The Governor has approved the Adult Education Task Force Report so the department will be working with the Department of Labor and HRIC to coordinate the new Adult Education Structure.

Executive Session

There was no Executive Session.

Adjournment

With Unanimous consent the meeting adjourned at 6:30 p.m.